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Subject: Consistency of Economics-Related Documents
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You asked me to look over a number of Calfed Draft Technical Reports to check for consistency related to economics. I did not read and compare each report. Rather, I looked them over more generally to try to discover any major differences between them. My findings, as such, are provided below. Let me know if I can provide this text in another format as well.

Regional Economics: The summary on page 3 appears to have an incorrect legend. The selected significance criteria (page 6) are probably not supportable from the quality of information provided. For example, we cannot yet say if bay area M&I-related income from conveyance and storage (page 12) will be a net gain or loss because we have no cost information. The loss of 80,000 acres of delta land in Alternative 3F is not apparent on Page 10. From page 20 the water quality program is projected to reduce M&I related income in the Other SWP area by 25 to 50 percent? And this is not significant? I don't follow.

Land Use Economics: The TR has little to do with economics. Perhaps it should be named just "Land Use." Table 4.3-3 is inconsistent with Table 7 in the Agricultural Economics TA. For example, Table 4.3-3 shows 32,400 acres of fruit/nut/vine, but Table 7 shows 97,000 acres (61 + 36).

Power Production Economics: Section 5.3.1.1.8 is "Energy Use Associated With the Common Programs", but energy savings from retiring up to 120,000 to 150,000 acres in the delta and 100,000 acres in the Central

Valley, are not included under Ecosystem Restoration Actions. It also appears that additional energy use on lands receiving additional supplies is also not considered.

Recreation: Page 6. Last paragraph states that Alternative 1a water for re-operations will come from "water otherwise delivered during the growing season to agriculture." This does not appear to be considered in the agricultural economics TR.

Social Well Being: The referenced Tables are not included. The analysis includes additional amounts of water delivered to farmers which do not match the amounts shown in the agricultural economics technical appendix. For example, page 9 says "Alternatives 2a and 2c would yield an additional about 4,000 AF/water per year for the Sacramento River Region, and 2b, 2d and 2e would yield about 160,000 AF/year" From page 12 of the agricultural economics, the correct amounts should be 10,000 and 34,600, except 2d shows only 17,900.

Fish, Wildlife and Recreational Economics: The analysis finds that, for most activities, the alternatives have positive beneficial impacts, but cost allocation is not discussed. Will users of environmental resources have to pay some of the costs?

The analysis states that the water quality program (page 8) "should lead to. . . improved conditions for water-contact recreation in the Delta Region." This is not an economics finding, so the author's source (The Recreation TR) should be provided. In general, this author appears to be more willing to conjecture significant beneficial impacts than some other authors, and potential costs have been ignored.

In general, there is no standard among the authors as to what should be considered significant, large, beneficial, etc, and even if there

were,
there is no quantitative information about many important factors
such
as costs and fisheries populations, that vary between
alternatives. All
of the authors are writing from their own personal perspectives
because
there is little in factual information and no standard basis for
comparison to work from. In my opinion, the TRs are almost
entirely
subjective.